

**UNITED STATES DISTRICT COURT  
DISTRICT OF NEW HAMPSHIRE**

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

- v -

LBRY, INC.,

Defendant.

Civil Action No. 21-cv-00260-PB

**FINAL JUDGMENT AS TO DEFENDANT LBRY, INC.**

On November 7, 2022, the Court granted Plaintiff Securities and Exchange Commission's Motion for Summary Judgment (ECF No. 55), and found Defendant LBRY, Inc. ("LBRY") liable for violating Section 5 of the Securities Act of 1933 by selling its pre-mined LBC tokens without registration with the SEC, and in the absence of any applicable exemption. *See* 11/7/22 Memorandum and Order (ECF 86). For sake of clarity, the Court's Memorandum and Order did not find that LBC tokens were "securities" in and of themselves. Rather, the Court's limited holdings found LBRY offered LBC as a security when it offered and sold its pre-mined LBC, without registration or an applicable exemption. The Commission has moved this Court for entry of Final Judgment. Accordingly, the Court enters judgment as follows:

**I.**

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that LBRY is permanently restrained and enjoined from violating Section 5 of the Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any applicable exemption:

- (a) Unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;
- (b) Unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; or
- (c) Making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise any security, unless a registration statement has been filed with the Commission as to such security, or while the registration statement is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) LBRY's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with LBRY or with anyone described in (a). For sake of clarity, the permanent injunction in the foregoing paragraph does not apply to LBRY's wholly-owned subsidiary, Odysee, Inc. ("Odysee"), or any other user of LBC, and nothing in this Final Judgment applies, effects or binds Odysee or any other user of LBC from using LBC.

**II.**

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that LBRY shall pay a civil penalty in the amount of \$111,614 to the Securities and Exchange Commission pursuant to Section 20(d)(1) of the Securities Act [15 U.S.C. § 77t(d)(1)]. LBRY shall make this payment within 30 days after entry of this Final Judgment.

LBRY may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>. LBRY may also pay by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to

Enterprise Services Center  
Accounts Receivable Branch  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

and shall be accompanied by a letter identifying the case title, civil action number, and name of this Court; LBRY as a defendant in this action; and specifying that payment is made pursuant to this Final Judgment.

LBRY shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action. By making this payment, LBRY relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to LBRY. The Commission shall send the funds paid pursuant to this Final Judgment to the United States Treasury.

LBRY shall pay post-judgment interest on any amounts due after 30 days of the entry of this Final Judgment pursuant to 28 USC § 1961.

**III.**

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

Dated: \_\_\_\_\_, 2023

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UNITED STATES DISTRICT JUDGE